

United States Department of Labor



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Consumer Price Index Midwest Region June 2000

Retail prices in the Midwest, as measured by the Midwest Consumer Price Index for All Urban Consumers (CPI-U), rose 1.3 percent in June, the U.S. Department of Labor's Bureau of Labor Statistics reported today. According to Peter J. Hebein, Regional Commissioner for the Bureau in Chicago, the monthly increase was led by a 15.4 percent increase in energy prices. Excluding energy, the Midwest CPI-U edged up 0.1 percent in June. Because regional CPI data are not adjusted for seasonal price variation, consumers and businesses should be cautious in drawing conclusions about long-term retail price trends from short-term changes in the Consumer Price Index.

The Midwest Consumer Price Index for All Urban Consumers (CPI-U) stood at 169.5 in June, an increase of 4.3 percent from June 1999. This means that a typical market basket of consumer goods and services that cost \$100.00 in the 1982-84 base period cost \$169.50 in June 2000.

The increase in energy prices was broad-based, with all major energy commodities and services contributing. Motor fuels recorded the largest increase, rising 21.1 percent in June, followed by a 12.2 percent increase in utility natural gas prices and an 8.6 percent increase in electricity prices.

Table A. Percent changes in the Midwest CPI-U, (not seasonally adjusted)

		12 mo.						
Expenditure	1999		Ended					
Category	June	Jan.	Feb.	Mar.	Apr.	May	June	June '00
All items	0.2	0.2	0.6	0.7	-0.1	0.3	1.3	4.3
Food & beverages	.1	.5	.4	1	.1	.5	0	2.6
Housing	.8	.4	.5	.4	.1	.4	1.5	3.5
Apparel	-3.4	-3.3	1.5	2.8	1	-1.7	-2.6	-3.5
Transportation	5	.5	1.3	1.9	-1.4	1.1	4.2	11.8
Medical care	.4	.4	.8	.8	.6	0	.5	4.3
Recreation	1.3	.7	2	.1	.5	.3	.9	.3
Education & communication	0	.4	6	0	4	.2	7	1.6
Other goods & services	1	.9	.3	.7	1.9	-1.4	.1	5.4

<u>Transportation</u> costs rose 4.2 percent in June. Private transportation costs rose 4.5 percent as the increase in motor fuels prices more than offset a 0.1 percent decline in prices for new and used vehicles. Over the last year, the transportation component rose 11.8 percent, more than twice the increase in the all items index. The increase was led by a 59.8 percent increase in motor fuel prices, the largest one-year increase since early 1980. Costs for new and used motor vehicles were up 0.9 percent over the year.

The <u>housing</u> component, which accounts for about 40 percent of the CPI, rose 1.5 percent in June. All major components of housing – shelter, fuels and utilities, and household furnishings and operations – contributed to the increase. Higher fuels and utilities prices contributed over half the increase in housing costs, rising 8.2 percent. Utility natural gas prices rose 12.2 percent following a smaller increase in May. Electricity charges rose 8.6 percent, marginally less than the typical 9.8 percent seasonal increase for June over the last five years. Shelter costs increased 0.5 percent as rates for lodging away from home rose. Over the year, housing costs were up 3.5 percent, driven by an 11.2 percent increase in the cost of household fuels and a 3.0 percent increase in shelter costs. Within the household fuels category, utility natural gas prices rose 26.0 percent while electricity prices edged up 0.5 percent.

<u>Apparel</u> prices declined 2.6 percent in June, following the traditional seasonal pattern. Apparel prices have declined an average of 2.6 percent in June of the last five years. Over the last twelve months, apparel prices fell 3.5 percent. Apparel is the only major expenditure group to experience a price decline over the last year.

Recreation costs rose 0.9 percent in June, following a 0.3 percent increase in May. Over the year, the recreation component was up 0.3 percent.

The <u>medical care</u> component rose 0.5 percent in June. Prices for medical care commodities rose 0.6 percent while medical care services costs rose 0.5 percent. Over the year, the medical care component was up 4.3 percent, led by a 5.3 percent increase in the cost of professional medical services.

The <u>education and communication</u> component declined 0.7 percent in June, following a small increase in May. Over the year, the education and communication component increased 1.6 percent.

The <u>food and beverage</u> component was unchanged in June. The cost of food at home (grocery food) edged down 0.1 percent while the cost of food away from home moved up 0.2 percent. Over the year, food and beverage prices were up 2.6 percent, led by a 3.4 percent increase in alcoholic beverage prices.

The <u>other goods and services</u> component edged up 0.1 percent in June after dropping 1.4 percent in May. Over the entire year, the other goods and services component was up 5.4 percent.

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Scheduled release date for the July CPI: Wednesday, August 16, 2000

NOTE: The 'North Central' region has been renamed the 'Midwest' region by the Census Bureau. It is composed of the same geographic entities including Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U.S. City Average and for the Chicago area are available to the public 24 hours a day, 7 days a week through the Bureau's CPI Hotline service. This recorded message also provides percent changes from the prior period and from a year earlier as well as the scheduled release date for the next CPI issuance. The Hotline number in Chicago is (312) 353-1880. Select option #2 from the main menu.

BLS FAX-ON-DEMAND SERVICE OFFERS CPI DATA 24 HOURS A DAY

If you have a fax machine and a touch-tone telephone, you can order current and historical CPI data and receive it within minutes by fax. The BLS Fax-on-Demand service offers over 280 documents containing the most popular BLS data including more than 65 documents containing CPI data for the nation, four regions, and 30 metropolitan areas. To receive by fax a catalog of documents available on the service, call 312 353-1880, select option 1 from the main menu, and when prompted, order document 1000.

BRIEF EXPLANATION OF THE CPI

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPI's for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 87 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 32 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Prices are collected in 87 urban areas across the country from about 50,000 housing units and approximately 23,000 retail establishments-department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index. Prices of food, fuels and a few other items are obtained every month in all 87 location. Prices of most other commodities and services are collected every month in the three largest geographic areas and every other month in other areas. Prices of most goods and services are obtained by personal visits of the Bureau's trained representatives.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Separate indexes are also published by size of city, by region of the country, for cross-classifications of regions and population-size classes, and for 26 local area. Area indexes do not measure differences in the level of prices among cities, they only measure the average change in prices for each base period.

The index measure prices changes from a designated reference data (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65.

For further details see the BLS Handbook of Methods, Bulletin 2490, April 1997, Chapter 17, The Consumer Price Index.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods

Midwest¹ (1982-84=100 unless otherwise noted)

		Indexes		Percent change from—			
Item and Group	Apr. 2000	May 2000	June 2000	June 1999	Apr. 2000	May 2000	
Expenditure category							
All items	166.9 271.5	167.4 272.4	169.5 275.8	4.3	1.6	1.3	
Food and beverages	164.2	165.0	165.0	2.6	.5	.0	
Food	163.5	164.3	164.3	2.6	.5	.0	
Food at home	162.2	163.4	163.2	2.4	.6	1	
Food away from home	166.3 172.7	166.4 173.2	166.8 173.5	2.9 3.4	.3 .5	.2 .2	
Housing	161.3	161.9	164.3	3.5	1.9	1.5	
Shelter	187.1	187.8	188.7	3.0	.9	.5	
Rent of primary residence 2	176.7	177.3	177.5	2.7	.5	.1	
Owners' equivalent rent of primary residence ^{2 3}	191.1	191.7	192.1	2.5	.5	.2	
Fuels and utilities	127.5	129.1	139.7	9.7	9.6	8.2	
Fuels	110.4	112.1	123.1	11.2	11.5	9.8	
Gas (piped) and electricity 2	115.0	116.9	128.8	10.5	12.0	10.2	
Electricity 2	121.2	121.8	132.3	.5	9.2	8.6	
Utility natural gas service 2	110.2	113.6	127.5	26.0	15.7	12.2	
Household furnishings and operations	123.7	123.2	123.5	7	2	.2	
Apparel	128.0	125.8	122.5	-3.5	-4.3	-2.6	
Transportation	150.9	152.6	159.0	11.8	5.4	4.2	
Private transportation New and used motor vehicles ⁴	146.2 100.6	148.1 100.8	154.7 100.7	12.0	5.8	4.5	
	140.4		139.9	.9	.1	1 4	
New vehicles New cars and trucks ^{4 5}	99.4	140.4 99.4	99.0	.1	4 4	4 4	
New cars 5	134.9	134.8	134.3	.1	4	4 4	
Used cars and trucks	153.9	155.3	155.7	3.3	1.2	.3	
Motor fuel	124.9	131.3	159.0	59.8	27.3	.5 21.1	
Gasoline (all types)	124.3	130.7	158.4	59.8	27.4	21.2	
Gasoline, unleaded regular ⁵	122.9	129.3	157.0	61.9	27.7	21.4	
Gasoline, unleaded regular ⁵	137.0	144.3	174.2	57.4	27.2	20.7	
Gasoline, unleaded premium ⁵	127.1	133.9	161.3	55.2	26.9	20.5	
Medical care	254.3	254.3	255.6	4.3	.5	.5	
Medical care commodities	232.9	231.4	232.7	1.6	1	.6	
Medical care services	259.9	260.3	261.6	5.1	.7	.5	
Professional services ²	240.5	241.1	242.5	5.3	.8	.6	
Recreation ⁴	102.9	103.2	104.1	.3	1.2	.9	
Education and communication ⁴	103.8	104.0	103.3	1.6	5	7	
Other goods and services	266.5	262.7	263.0	5.4	-1.3	.1	
Commodity and service group							
All items	166.9	167.4	169.5	4.3	1.6	1.3	
Commodities	147.0	147.3	149.6	5.1	1.8	1.6	
Commodities less food and beverages	137.1	137.2	140.5	6.4	2.5	2.4	
Nondurables less food and beverages	147.4	147.7	154.1	12.2	4.5	4.3	
Nondurables less food, beverages, and apparel	162.2	163.9	176.0	20.0	8.5	7.4	
Durables	123.9	123.8	123.6	9	2	2	
Services	188.0	188.7	190.7	3.8	1.4	1.1	
Rent of shelter ³	192.3	193.0	193.9	3.0	.8	.5	
Transportation services	196.1	196.2	196.0	3.6	1	1	
Omer services	221.5	222.1	223.0	3.0	.7	.4	

See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods-Continued

Midwest¹ (1982-84=100 unless otherwise noted)

		Indexes		Percent change from—			
Item and Group	Apr. 2000	May 2000	June 2000	June 1999	Apr. 2000	May 2000	
Special aggregate indexes							
All items less medical care	162.3	162.8	164.9	4.3	1.6	1.3	
All items less food	167.4	167.9	170.4	4.7	1.8	1.5	
All items less shelter	161.1	161.6	164.2	4.9	1.9	1.6	
Commodities less food	138.5	138.6	141.8	6.3	2.4	2.3	
Nondurables	156.0	156.6	160.0	7.3	2.6	2.2	
Nondurables less food	149.0	149.3	155.4	11.7	4.3	4.1	
Nondurables less food and apparel	162.7	164.3	175.5	18.6	7.9	6.8	
Services less rent of shelter ³	193.7	194.4	197.6	4.6	2.0	1.6	
Services less medical care services	181.6	182.3	184.3	3.7	1.5	1.1	
Energy		120.0	138.5	31.9	19.2	15.4	
All items less energy		174.4	174.5	2.2	.1	.1	
All items less food and energy	176.9	176.9	177.0	2.1	.1	.1	
Commodities less food and energy commodities	144.6	143.7	142.8	3	-1.2	6	
Energy commodities	124.6	130.6	157.1	58.8	26.1	20.3	
Services less energy services	197.2	197.8	198.5	3.3	.7	.4	

NOTE: Index applies to a month as a whole, not to any specific date.

The 'North Central' region has been renamed the 'Midwest' region by the Census Bureau. It is composed of the same geographic entities.
 This index series was calculated using a Laspeyres estimator. All other item stratum index series converted to a geometric means estimator in January, 1999.
 Index is on a December 1982=100 base.
 Index so n a December 1997=100 base.
 Special index based on a substantially smaller sample.
 Indexes on a December 1993=100 base.
 Data not available.
 NOTF: Index applies to a month as a whole, not to any specific date.

Table 2. Consumer Price Index for All Urban Consumers (CPI-U): Selected areas, all items index

(1982-84=100, unless otherwise noted)

	All items										
Area	Pricing	Indexes				Percent change to June2000 from—			Percent change to May2000 from—		
	schedule 1	Mar. 2000	Apr. 2000	May 2000	June 2000	June 1999	Apr. 2000	May 2000	May 1999	Mar. 2000	Apr. 2000
U.S. city average	M	171.1	171.2	171.3	172.3	3.7	0.6	0.6	3.1	0.1	0.1
Region and area size ²						-					
Northeast urban	M M	178.3	178.4	178.2 179.0	178.8	3.3 3.2	.2	.3	3.1 3.1	1 1	1
Size A - More than 1,500,000 Size B/C 50,000 to 1,500,000 ³	M	179.2 107.2	179.1 107.4	107.3	179.6 107.6	3.2	.3 .2	.3 .3	3.3	.1	1 1
Midwest urban	M M M	167.0 168.3 106.8	166.9 168.2 106.8	167.4 169.0 106.9	169.5 171.2 108.3	4.3 4.3 4.4	1.6 1.8 1.4	1.3 1.3 1.3	3.2 3.3 3.1	.2 .4 .1	.3 .5 .1
Size D - Nonmetropolitan (less than 50,000)	М	161.5	161.3	161.4	163.1	4.0	1.1	1.1	3.1	1	.1
South urban	M M M	166.4 165.9 106.9	166.6 166.1 107.1	166.6 165.9 107.1	167.4 167.1 107.6	3.5 3.9 3.4	.5 .6 .5	.5 .7 .5	3.1 3.4 2.9	.1 .0 .2	.0 1 .0
Size D - Nonmetropolitan (less than 50,000)	М	166.8	166.7	167.0	166.9	3.0	.1	1	3.0	.1	.2
West urban	M M M	173.4 174.9 107.1	173.7 175.1 107.2	173.9 175.4 107.3	174.3 175.7 107.6	3.6 3.8 3.0	.3 .3 .4	.2 .2 .3	3.1 3.3 2.4	.3 .3 .2	.1 .2 .1
Size classes											
A ⁴	M M M	155.2 106.9 166.7	155.2 107.1 166.7	155.4 107.1 166.8	156.3 107.7 167.4	3.7 3.6 3.3	.7 .6 .4	.6 .6 .4	3.3 2.9 3.0	.1 .2 .1	.1 .0 .1
Selected local areas ⁵											
Chicago-Gary-Kenosha, IL-IN-WI	M M	172.0 170.6	171.7 170.6	173.5 171.1	175.8 170.9	4.1 3.3	2.4 .2	1.3 1	3.2 2.9	.9 .3	1.0 .3
NY-NJ-CT-PA	М	181.4	181.2	181.3	181.9	2.9	.4	.3	3.0	1	.1
Boston-Brockton-Nashua, MA-NH-ME-CT Cleveland-Akron, OH Dallas-Fort Worth, TX Washington-Baltimore, DC-MD-VA-WV ⁶	1 1 1 1	182.7 166.8 163.1 107.0	- - -	181.6 166.4 163.2 106.7	- - -	- - -	- - -	- - -	4.2 3.0 3.8 3.0	6 2 .1 3	- - - -
Atlanta, GA Detroit-Ann Arbor-Flint, MI Houston-Galveston-Brazoria, TX Miami-Fort Lauderdale, FL Philadelphia-Wilmington-Atlantic City,	2 2 2 2	- - - -	169.8 168.1 152.7 166.9	- - -	171.1 170.8 154.0 168.0	3.8 4.3 3.8 4.2	.8 1.6 .9 .7	- - -	- - -	- - -	- - -
PA-NJ-DE-MD	2 2 2	- - -	175.7 178.6 177.7	- - -	176.4 179.0 179.1	2.5 4.2 3.7	.4 .2 .8	- - -	- - -	- - -	

¹ Foods, fuels, and several other items priced every month in all areas; most other goods and services priced as indicated:

Portland-Salem, OR-WA; St. Louis, MO-IL; San Diego, CA; Tampa-St. Petersburg-Clearwater, FL.

NOTE: Index applies to a month as a whole, not to any specific date.

NOTE: Local area indexes are byproducts of the national CPI program. Each local index has a smaller sample size than the national index and is, therefore, subject to substantially more sampling and other measurement error. As a result, local area indexes show greater volatility than the national index, although their long-term trends are similar. Therefore, the Bureau of Labor Statistics strongly urges users to consider adopting the national average CPI for use in their escalator clauses.

M - Every month.

^{1 -} January, March, May, July, September, and November.

^{2 -} February, April, June, August, October, and December.

² Regions defined as the four Census regions. See map in technical notes.

3 Indexes on a December 1996=100 base.

December 1986=100 base.

⁴ Indexes on a December 1986=100 base.

In addition, the following metropolitan areas are published semiannually and appear in Tables 34 and 39 of the January and July issues of the CPI Detailed Report: Anchorage, AK; Cincinnati-Hamilton, OH-KY-IN; Denver-Boulder-Greeley, CO; Honolulu, HI; Kansas City, MO-KS; Milwaukee-Racine, WI; Minneapolis-St. Paul, MN-WI; Pittsburgh, PA;

Indexes on a November 1996=100 base.

Data not available.